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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2
290 BROADWAY
NEW YORK, NY 10007-1866

JUL 10 2008

Mr. Ken Blodgett
Surface Transportation Board
Section of Environmental Analysis
395 E Street, SW
Washington, DC 20423-0001

Dear Mr. Blodgett:

The Environmental Protection Agency (EPA) has reviewed the supplemental information provided in support of the Environmental Appendix to the Surface Transportation Board (STB) Application. The application seeks approval from STB of a proposed transaction to establish a new railroad, Pan Am Southern LLC, which will own and operate several rail lines currently owned by Boston and Maine Corporation in Massachusetts, New York (NY) and Vermont, and will acquire trackage rights over other railroads in NY, New Hampshire, Massachusetts and Connecticut currently held by Springfield Terminal. It is EPA's understanding that as the decision-making entity, the STB will serve as the lead agency for the purposes of complying with the National Environmental Policy Act. Therefore, we are providing you EPA's comments.

The purpose of the transaction is to enhance the existing rail infrastructure along the corridor to allow traffic to move faster, more safely and more reliably. The project involves operation of approximately 436.8 miles of rail line, which is slated for added capacity and vertical clearances. In addition, construction of new intermodal/automotive unloading facilities and improvements to an existing automotive facility are proposed. Proponents estimate that by 2012, this project will remove more than 19,000 trucks per year from the highway, without a significant increase in the volume of train traffic.

EPA has evaluated the document and supplement, and would like to emphasize that the following precautions should be implemented to avoid or minimize environmental impacts to the maximum extent feasible.

- Although the mitigation measures were not specified, the proponent has indicated that stormwater will be managed in accordance with applicable federal and state requirements, and Best Management Practices will be implemented for erosion and sedimentation control at all construction access points and disturbed areas. Given the large amount of existing and proposed new impervious surface area, it is critical that the stormwater controls be properly designed, monitored and maintained;

- The use of recycled concrete materials should be considered for construction of the intermodal/automotive facility;
- In addition, the Army Corps of Engineers/Buffalo District should be consulted to determine whether a Section 404 permit is required for placing any dredged or fill materials into wetlands and other waters of the U.S., and the NY State Department of Environmental Conservation should be consulted regarding permit requirements for impacts to state jurisdictional wetlands;
- The site of the proposed intermodal/automotive facility should be investigated to determine the presence of hazardous materials, such as polychlorinated biphenyls (PCBs) and these materials should be managed to avoid soil and surface/ground water degradation;
- Replacement of chemically treated railroad ties may introduce contaminants to the soil and/or wetlands due to the presence of wood preservatives such as coal tar, creosote or salts of heavy metals. The salvage activities should be managed to contain contaminated demolition debris and minimize adverse environmental impacts; we commend the proponent for committing to recycling the old rails;
- Air emissions resulting from the operation of diesel-fueled construction equipment should be minimized to the extent practicable. Emissions reductions can be achieved by utilizing ultra-low sulfur diesel fuel, or retrofitting equipment with diesel oxidation catalysts or diesel particulate filters.
- Emissions resulting from operations of the proposed intermodal/automotive facility should be estimated and measures for minimizing such emissions identified.

EPA appreciates being given the opportunity to comment. If you have any questions regarding this letter, please contact LeAndrea Dames of my staff at (212) 637-3705.

Sincerely yours,



Grace Musumeci, Chief
Environmental Review Section
Strategic Multi-Media Programs Branch



U.S. ENVIRONMENTAL PROTECTION AGENCY - REGION II
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3

MESSAGE: